Skyscanner

Redefining travel

Moshe Rafiah
CEO, Skyscanner

We have unquestionably entered the most significant period of reflection in modern history. COVID-19 has posed grave challenges for the travel industry, the impact of which will be felt for years to come. While recovery is a priority for travellers, the industry, destinations and the global economy, this period must also force us to reconsider how travel re-emerges and the shape it should take in the future.

As an industry, it's critical that we address several areas as we begin to rebuild what is one of the world's largest and most influential economies. This report will explore a number of themes, including the psychology of exploration, the sustainability imperative, and the implications of the industry's fate on economies and sectors.

At Skyscanner, we have a vision for modern and sustainable travel with the traveller at its heart, where travel forms part of today's society in a purposeful and inclusive way. This involves enabling and empowering travellers to take meaningful trips, not just cheap ones. It also means building an infrastructure that allows the world to interact with one another, communities to connect and cultures to mix. Travel now matters more than ever.

COVID-19 has had a profound effect on how we consider our own mortality, as well as how we consider our individual impact on the world. This poses a challenge and an opportunity for the travel industry. As travellers take a more safety conscious approach, we must step up to show how the industry cares about them. Tourism will never look the same again.

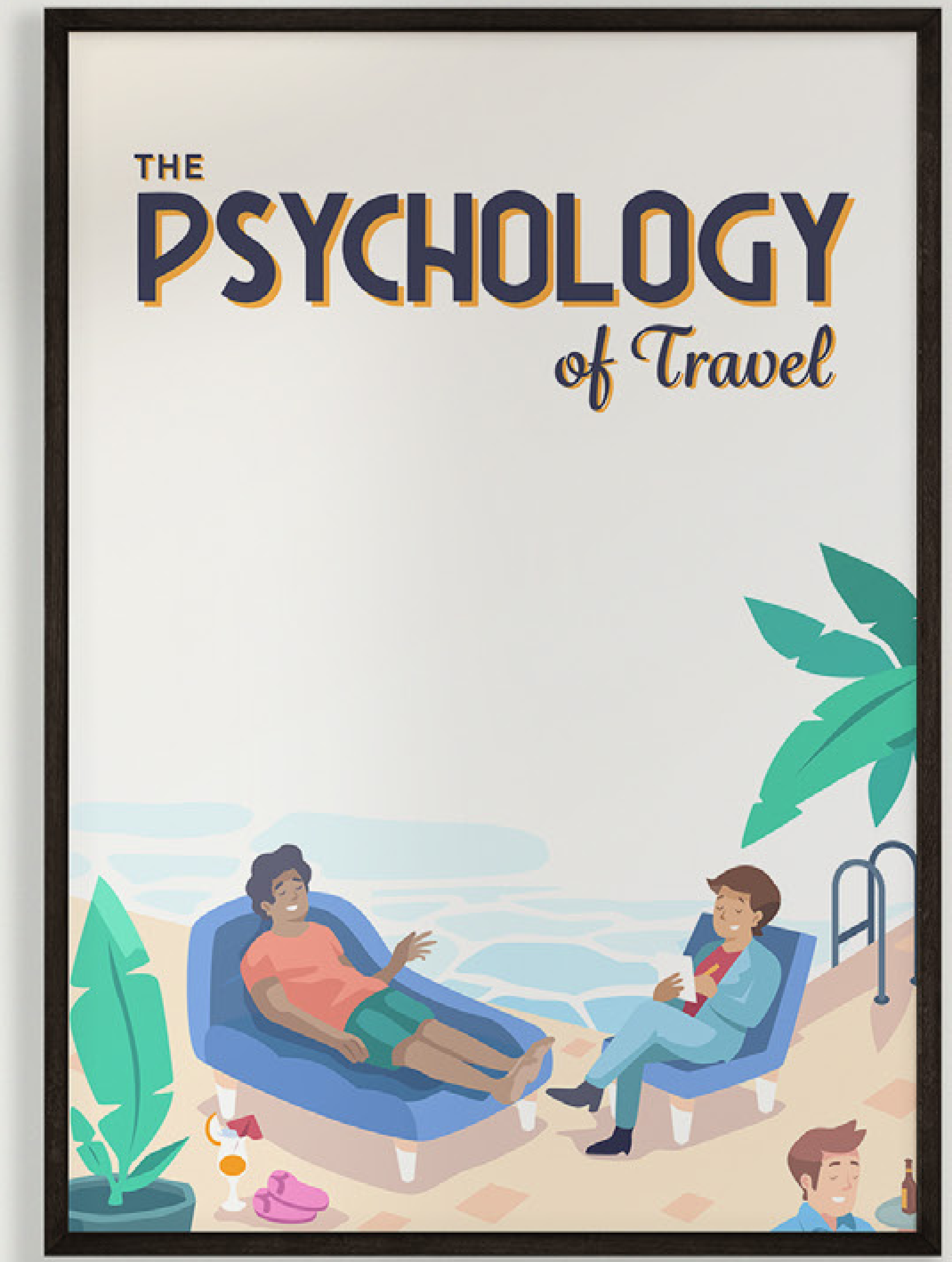
Restoring confidence is crucial and travel providers must think holistically about the end-to-end experience. A key part of this will be de-risking the decision-making process and empowering travellers with the necessary tools and information so they can make informed decisions about when, where and how they can travel. Travellers will vote with their feet, favouring brands and providers they can trust and who understand them.

What's more, as people consider their impact on the world, we'll see a rise in conscious and conscientious travel. People will, and should, think about their role in the development (and detriment) of communities, economies and the environment. They will demand greater choice and transparency – a challenge we all must embrace. Rebuilding consumer confidence post COVID-19 is vital to our industry's recovery; we should welcome the challenge to build a traveller-first, responsible and sustainable future.

"Travel now matters more than ever."


GLOBAL TRAVEL
TRENDS


The
ECONOMICS
of travel


THE
PSYCHOLOGY
of Travel


The
New Shape
of
Travel

Global travel trends

Skyscanner's extensive global flight data provides an unrivalled insight into travel habits, behaviours and emerging trends. Anonymised and aggregated search data represents early intent as travellers search for when and where they want to travel. As the industry looks to the future, our data scientists have identified three key shifts among those searching to travel. Analysis focuses on the change in the relative share of search data for different travel types, versus a 2019 average.

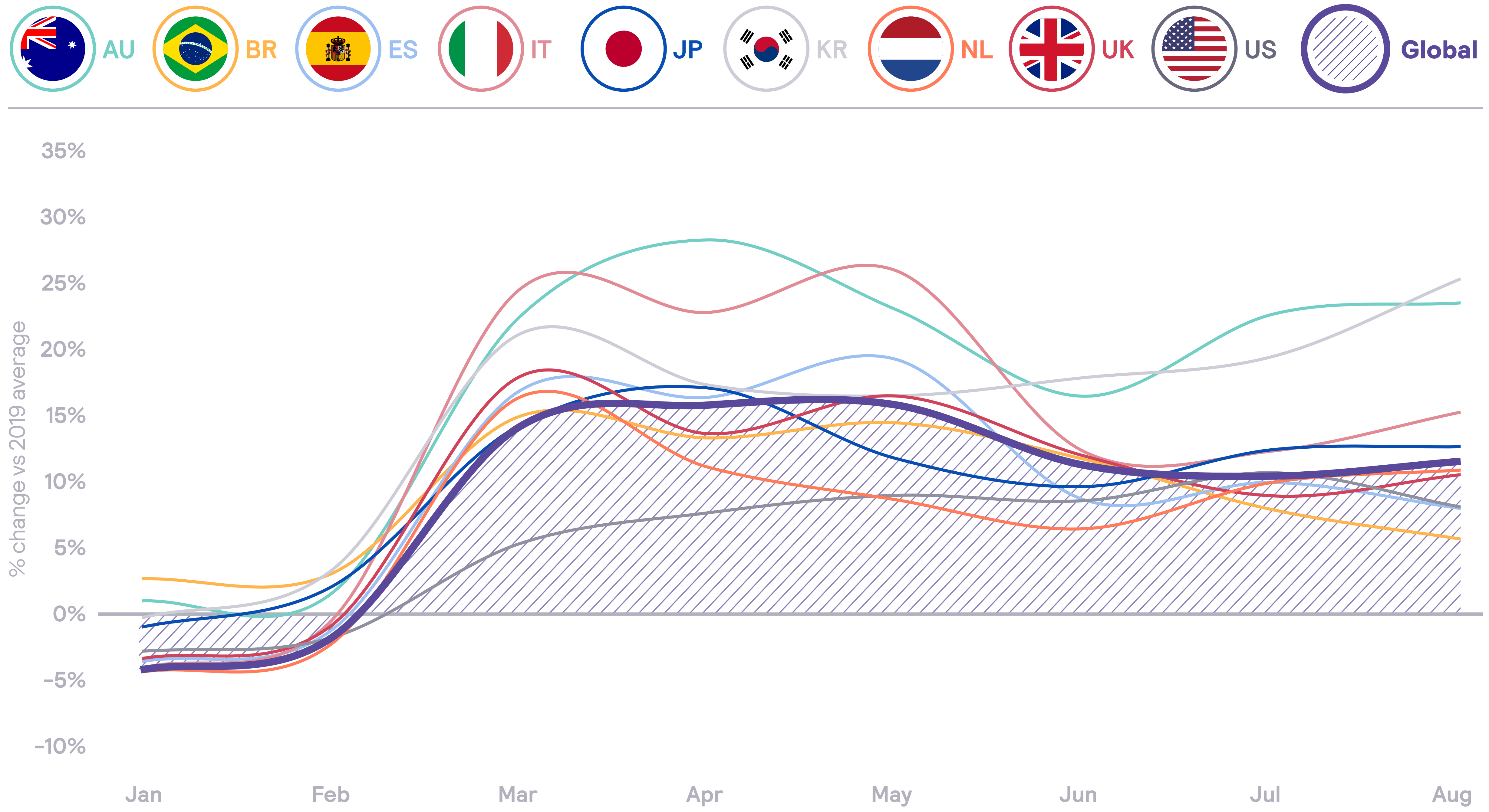
Skyscanner

One-way or return?

In March, our data showed a dramatic increase in one-way searches as travellers throughout the world rushed to get home before quarantine and lockdown restrictions were enforced.

Nearly six months later, the global average of one-way searches continues to remain significantly higher than at the start of the year – driven by travellers from Australia, South Korea and Italy. Searches for one-way travel among Americans tracked lower than the global average until July, while the UK, Spain and Japan have tracked close to it for several months. In Brazil, one-way searches have been on a downward trajectory since June.

One-way searches



> "Interest in one-way travel remains high as people decide where they want to be based during the pandemic."

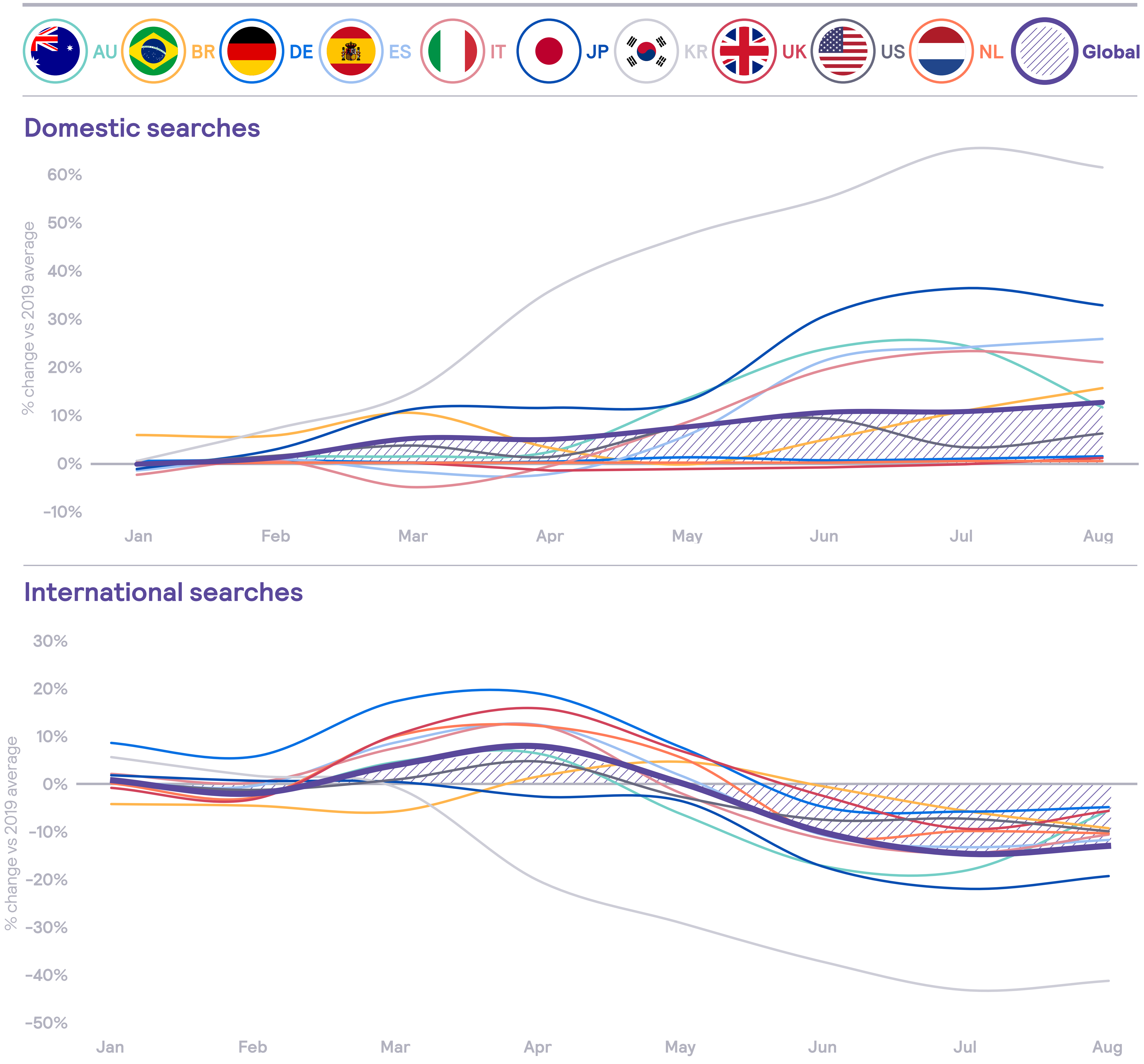
Domestic or international?

Searches for domestic travel have increased globally since March and continue to remain on a steady growth trajectory.

This trend is particularly notable in countries such as South Korea and Japan, where searches are still considerably higher than the global average. Domestic searches in Spain, Italy and Brazil have risen steadily since May, while searches in the United States dipped in June and July.

Following an increase in March and April at the start of the pandemic, searches for international travel remain suppressed globally. After plateauing in July, the trend began to improve slightly in August, with upticks in searches from Australian and UK travellers. In South Korea and Japan, the large shift in searches away from international to domestic travel is clearly visible, but over the past two months interest has started to return. The reverse trend is happening in Brazil, as international searches decline and domestic searches increase.

“There’s a trend towards domestic travel, but green shoots for international travel are on the horizon.”

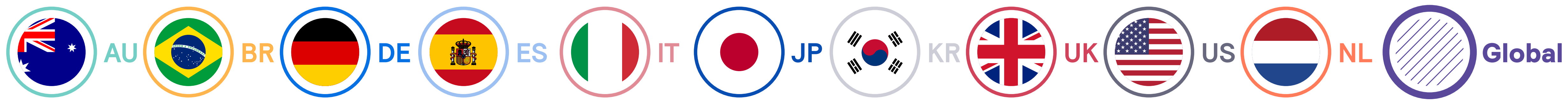


Travel now or travel later?

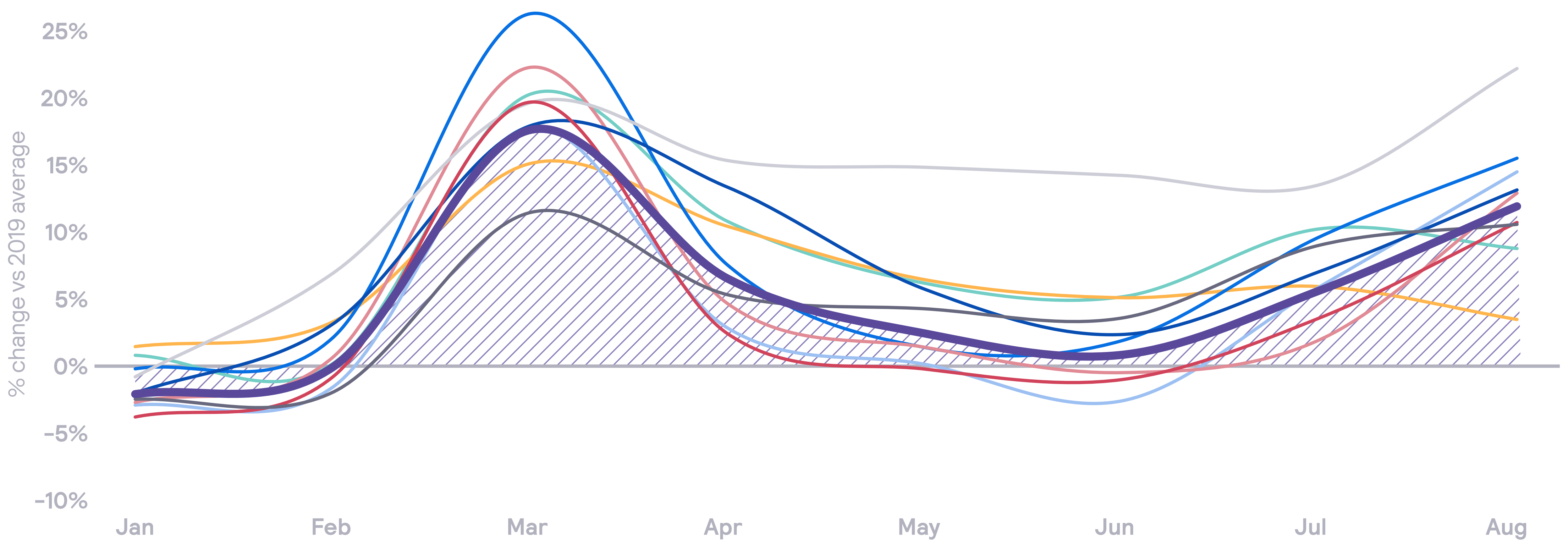
Following a surge just before the global lockdown, searches to book travel departing within a week declined but have since been trending upwards from June. This is the case for most countries except Brazil and, until recently, Australia.

There's a similar pattern when we look at searches for travel departing within a month, as the global average has increased significantly from March. Large search fluctuations versus the global average are visible in some European countries (Germany, Italy, the Netherlands and Spain) throughout May, June and July. Searches in Brazil remain lower but are still trending upwards.

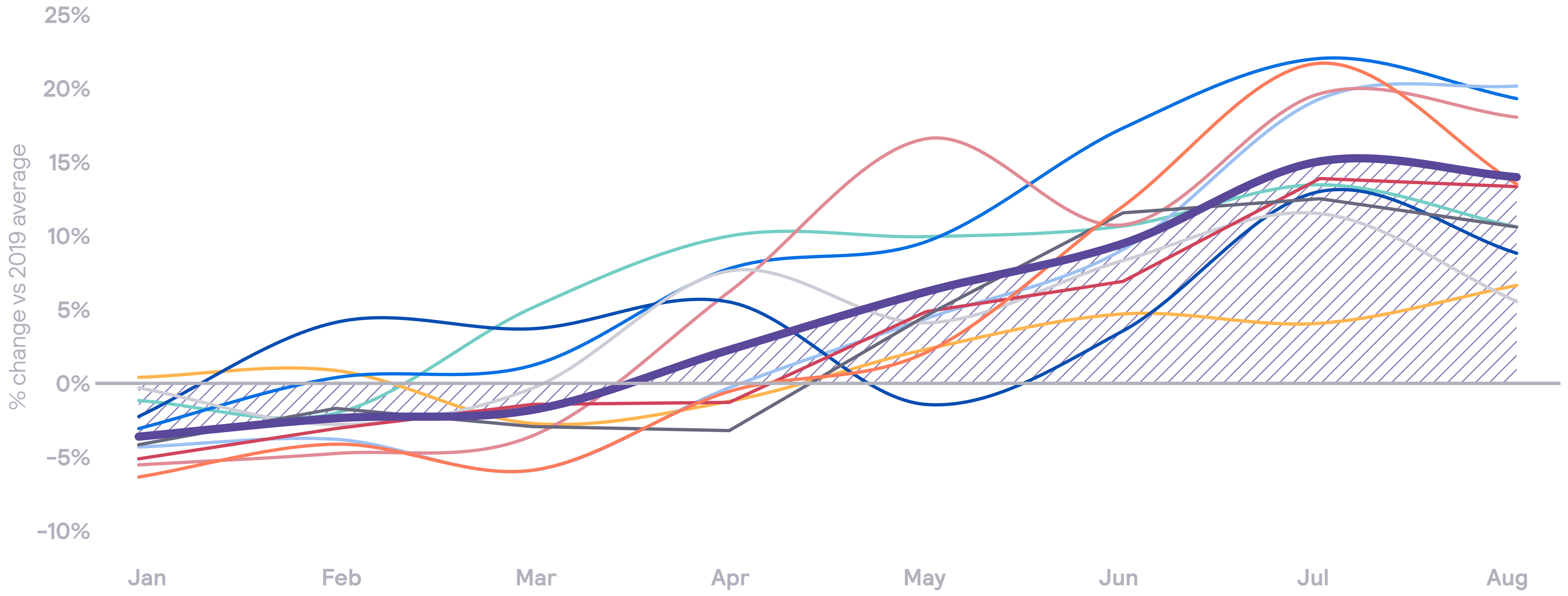
> "Amid ongoing uncertainty and rapidly changing travel restrictions, travellers are choosing to travel now or within a month."



Searches for travel in less than a week



Searches for travel within 7-30 days



Methodology

1. Based on anonymised and aggregated flight searches on Skyscanner's platforms from highlighted countries.
2. Analysis focuses on the change in the relative share of search data for different travel types, versus a 2019 average.
3. Searches have been standardised to compare change over time.
4. Analysis conducted 16th September.

The economics of travel

Travel is one of the world's largest and most influential economies. Entire regions depend on the movement of people and money, fuelled by the travel industry. But no other event in the last half century has halted travel like COVID-19.

With travel and tourism's contribution to the global economy, the events of 2020 have significant implications on everything from employment to economic development and the environment. We believe that travel will return, and that it will flourish, but it will be fundamentally different. Here we deep dive into some of the most affected areas and potential paths to a safe and sustainable recovery.

Skyscanner

Travel sector recovery will be multispeed and closely aligned to global economic recovery

The World Travel and Tourism Council's 2019 economic report revealed that travel and tourism accounted for:

US$8.9 Trillion
of the world's GDP

10.3%
of global GDP

330M Jobs
one in 10 around the world

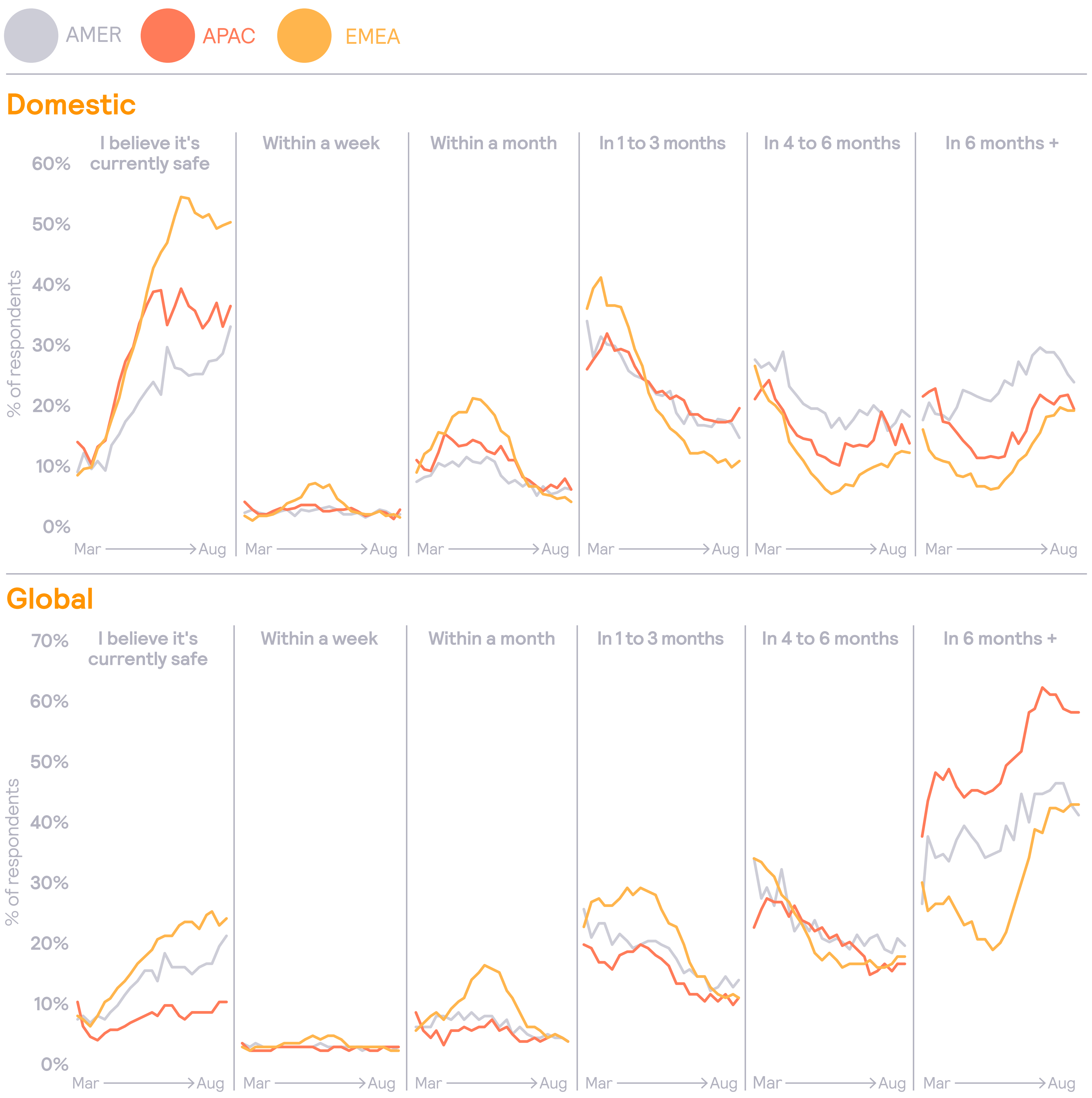
US$1.7 Trillion
visitor exports (6.8% of total exports, 28.3% of global services exports)

US$948 Billion
capital investment (4.3% of total investment)

The global nature of the pandemic has clearly highlighted the degree to which countries are connected, many of which rely on travel and tourism as significant contributors to their economies. In Europe, traditional markets for inbound international tourism such as Spain, Italy and Greece continue to struggle as restrictions change and traveller confidence remains low. In Asia, early stages of recovery are being driven by an upsurge in domestic and regional travel, where people are more inclined to explore destinations closer to home.

If restrictions on long-haul international travel continue, the hopes of the industry's wider economic recovery almost certainly lie in short-haul, domestic and regional travel. IATA's latest forecast predicts that it will be 2024 before air travel returns to pre COVID-19 levels and the reshaping of the sector through restructuring and consolidation will continue to send ripples through the global economy for some time.

When do you think it will be safe to travel again?



Skyscanner pulse survey n=176,134 Mar 16 – Aug 24

"While the sector remains in flux, strategies with data, insight and creativity at their core will be key to powering a safe and sustainable recovery."

In a recent report, McKinsey outlines a number of ways to 're-imagine' the tourism economy, including streamlining the co-operation between public and private organisations to ensure the clear communication of guidelines and to enable a digital transformation for businesses and travellers alike.

A re-imagining of travel and tourism will certainly be needed. Even countries deemed to be in the recovery phase will need to take a different approach to welcoming visitors. For example, destinations and travel businesses that previously relied on mass, cheap tourism will need to re-think their strategies. Places such as busy downtown areas, theme parks or popular attractions won't be able to drive the same amount of revenue from their visitor numbers anymore – they will need to pioneer new approaches, focusing on delivering high-value experiences where fewer people are prepared to pay more. When we consider some of the recent challenges faced by popular destinations and the experience offered to tourists, a re-balanced distribution of global tourism can only be a good thing.

New travel behaviours are emerging too. These are re-shaping the travel sector and the economic benefits it provides in real time. Our demand data reveals that recovery won't be linear but rather multispeed. The spread of COVID-19 and its impact was defined by geography and the proximity of countries to one another. This won't be the case for recovery. Our modelling shows 'clusters' of countries with similar infection rates and traveller behaviours.

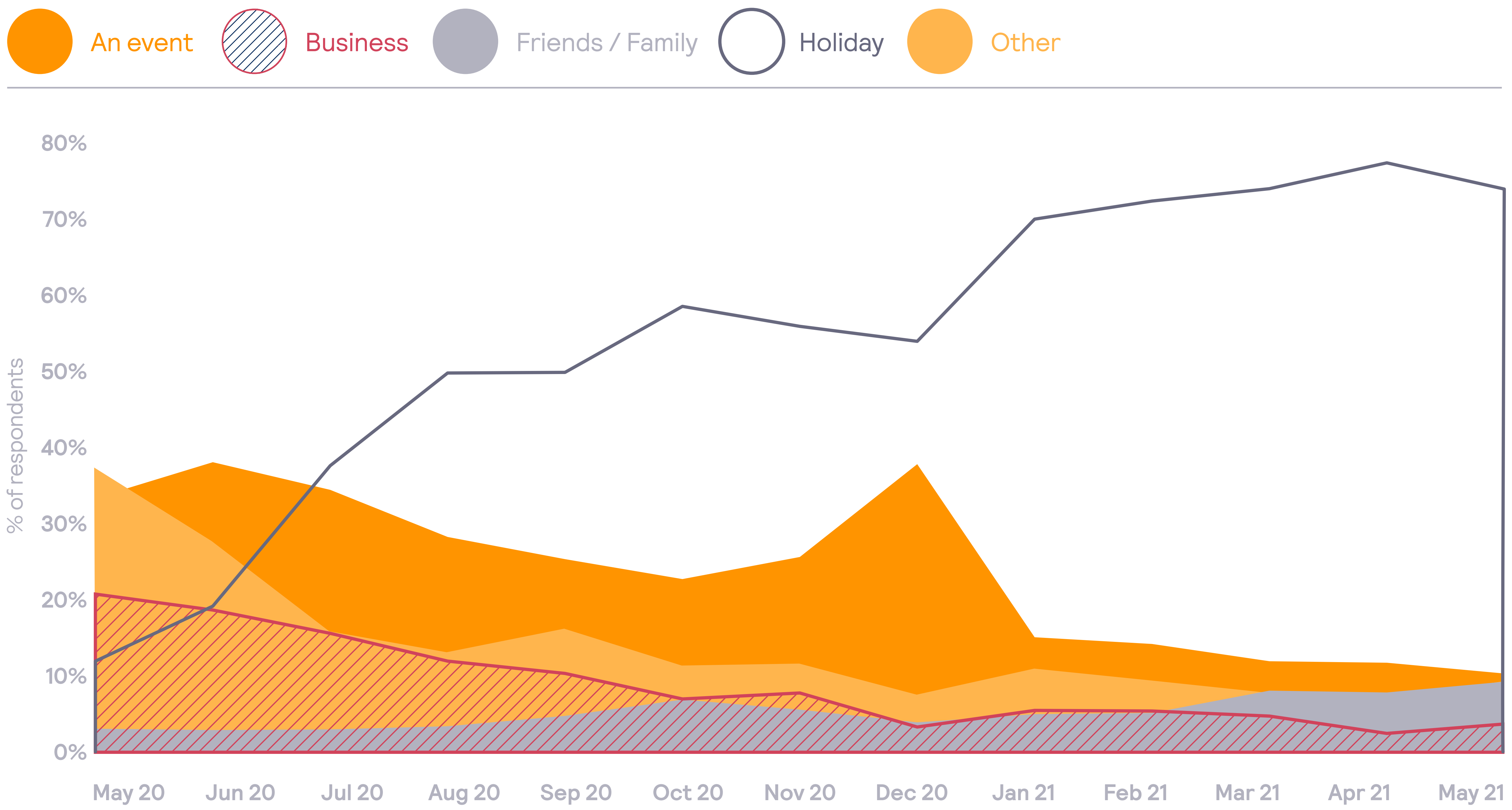
"We are at the beginning of a long road to recovery", comments Hugh Aitken, VP Flights at Skyscanner. **"Changing attitudes towards travel, fluctuating demand and uncertainty around restrictions will alter the economics of tourism for the foreseeable future. Those that evolve and adapt to meet the new needs of travellers will thrive in this environment, while those that don't may be lucky to survive. Understanding new travel dynamics will require a much greater use of data and insight. While the sector remains in flux, strategies with data, insight and creativity at their core will be key to powering a safe and sustainable recovery."**

Uncertain future for business travel

Business travel has changed for good. With quarantines, restrictions on movement and entry into countries limited depending on nationality and associated COVID-19 infection rates, it's easy to see how travelling for business could become a thing of the past. Combined with the explosion of video conferencing and webinars replacing the long-established culture of in-person meetings, industry and networking events almost overnight, we must ask ourselves: "Is there a future for business travel?"

London's Heathrow airport used to manage 26.5 million business travellers every year. It's unlikely to manage anywhere near that number for some time to come. Business travel has long been a key source of revenue for flag carriers, with lucrative routes such as London to New York providing substantial income as executives traversed the globe to broker deals and meet new clients. Many airlines' pre COVID-19 revenues were typically generated from business class. While these travellers made up on average 12% of an airlines' passenger count, they would normally be twice as profitable. For some flights, business passengers accounted for 75% of an airline's profits. But with the very real prospect of another worldwide economic downturn on the horizon, many companies will strive to keep costs low, leading to a de-prioritisation of corporate travel.

Planned trips reasons by month of travel intent



Skyscanner pulse survey n=6433 22-24 Aug

"London's Heathrow airport used to manage 26.5 million business travellers every year."

According to a recent survey from the Global Business Travel Association (GBTA), health and safety of employees is being prioritised as organisations consider how to resume business travel. The survey revealed that while half (49%) plan to resume travel regardless of country or region soon, there are no definite plans to do so.

Skyscanner's Chief Commercial Officer Stuart Middleton believes it will take several years for business travel to return and, when it does, it might look very different. **"The economics of air travel are fundamentally changing – airlines that relied on business class for a large proportion of their profits will need to re-think their strategies and cabins will need to be reconfigured. Remote working and private flying are making all the headlines right now, but ultimately innovation – whether in ticketing, pricing or the overall experience – will be key to re-attracting business travellers. In the short term, confidence in health and safety measures will be paramount, but the blurring of lines between business and leisure travel is a key trend I expect to see over the next few years."**

So how will airlines adapt? Firstly, they will need to take cues from evolving corporate travel policies as many organisations announce extensions of home or remote working until mid-2021. In some respects, this could provide an invaluable window of time to try new things and experiment with different products. On the other hand, the financial incentive to innovate quickly has never been greater. The key to this will be understanding what business travellers want. Will they take fewer trips but still be prepared to pay a premium? Or will they want a completely different experience that isn't currently on the market? Here are three ways business travel could change:

Region/Country	Plan to Resume Travel in Near Future (1-3 months)	Considering Resuming Travel in Near future, but No Definite Plans	Do Not Plan to Resume Travel in Near Future	Not Sure
China	10%	32%	38%	21%
Hong Kong	9%	32%	37%	21%
Taiwan	10%	31%	35%	24%
Asia Pacific (minus China, Hong Kong, and Taiwan)	11%	36%	33%	20%
Europe	17%	42%	23%	18%
Latin America	8%	37%	35%	21%
United States	24%	41%	21%	14%
Canada	22%	39%	22%	17%
Middle East/Africa	11%	34%	34%	21%
All International Travel	**10%**	**43%**	**29%**	**18%**
All Domestic Travel	**34%**	**40%**	**12%**	**13%**
All Travel	**14%**	**49%**	**18%**	**19%**

Credit: GBTA survey July 2020

1. Bleisure

Bleisure travel makes a comeback. Leisure 'bolt-ons' to business trips will become increasingly popular and a valuable source of additional tourism revenue for predominantly work-related destinations.

2. Cabin classes

New cabin classes will emerge in a bid to encourage leisure travellers to splurge. We can see a premium economy 'plus' option giving travellers who are willing to pay more an experience between business class and premium economy. It might recall the glamourous air travel days of old, with a cocktail bar, more gourmet dining options and additional space that's traditionally associated with business class.

3. Chartering

Private flying clashes with sustainability concerns. As chartering private jets becomes a more popular option for high-net-worth business travellers, the knock-on impact to the environment will become a topic of heated debate. People will need to weigh up carbon emissions vs risks (perceived or real) to their personal health.

Low-cost carriers have the fastest route to recovery

While no airline has been immune to the impact that COVID-19 has had on the travel sector, low-cost carriers have arguably been better insulated compared to some of their full-service carrier competitors.

The business model for aviation doesn't allow for things like wider or empty seats. Low-cost carriers' low margins, agile and point to point approach, combined with short haul, domestic and regional travel currently being a driving force for recovery, mean they're well positioned.

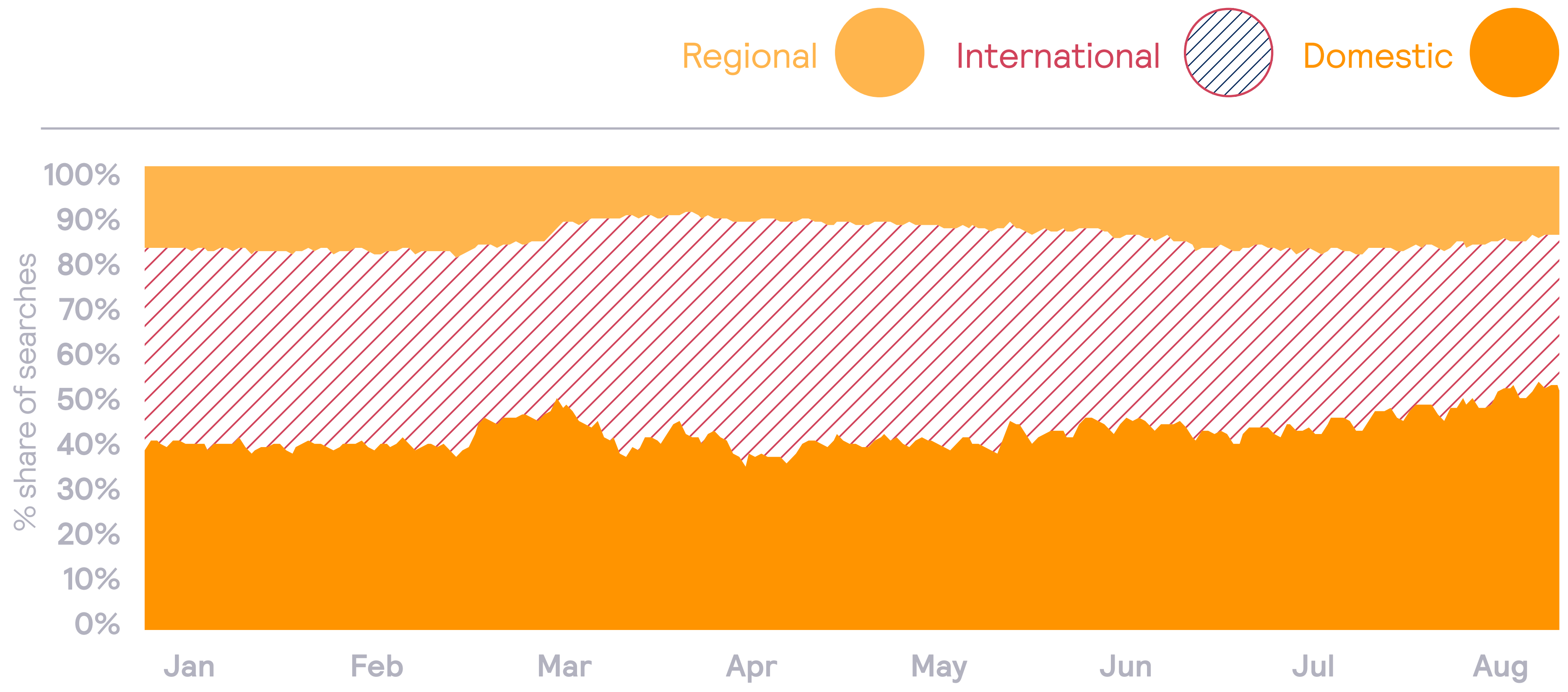
Traditionally, low-cost carriers have been very adept in understanding the price points that stimulate demand among different types of travellers. But travellers are now considering factors beyond just price, such as hygiene, safety and flexibility. Some full-service carriers are responding to this quickly, whether it's through removing change or cancellation fees, offering insurance or funding COVID-19 testing.

Searches by region

AMER

50%

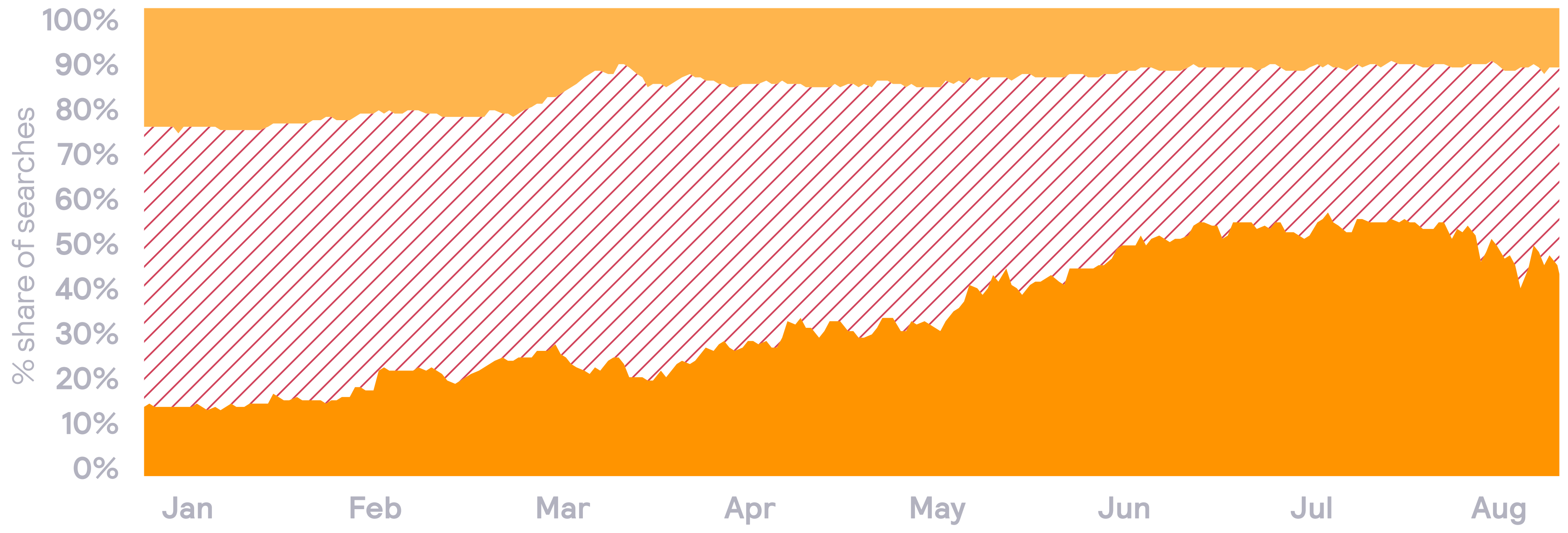
of searches were for domestic travel in August.



APAC

44%

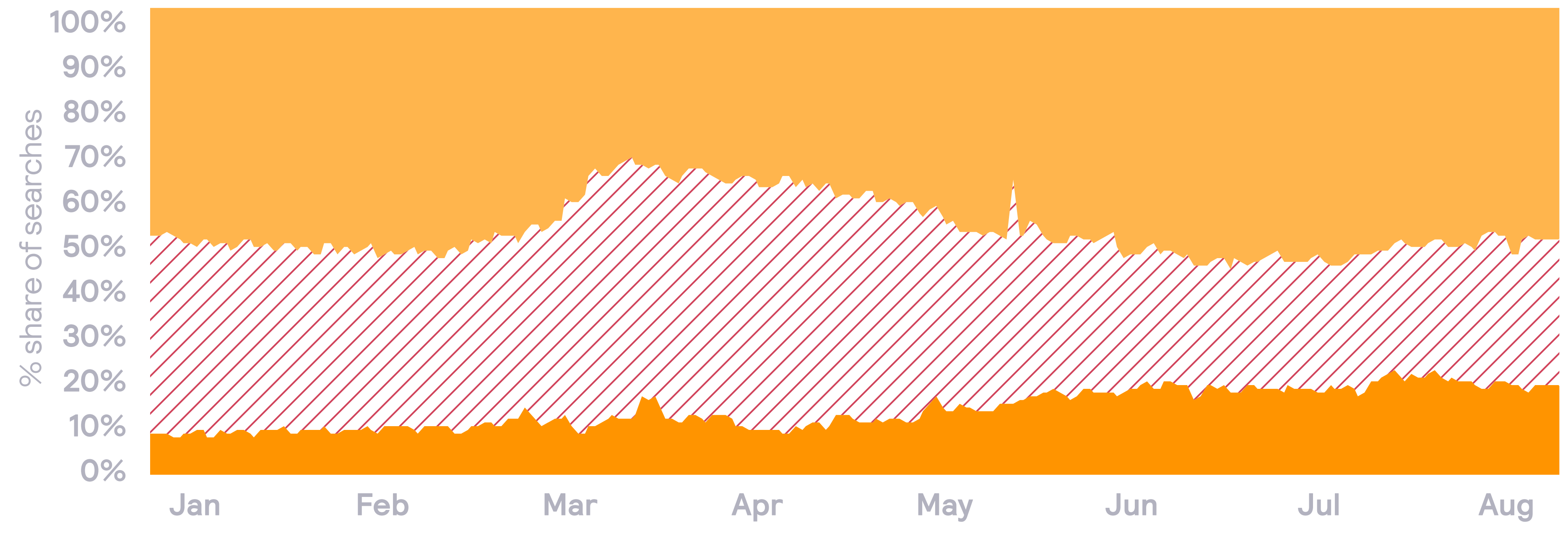
Domestic and international searches reached an equal share of 44%.



EMEA

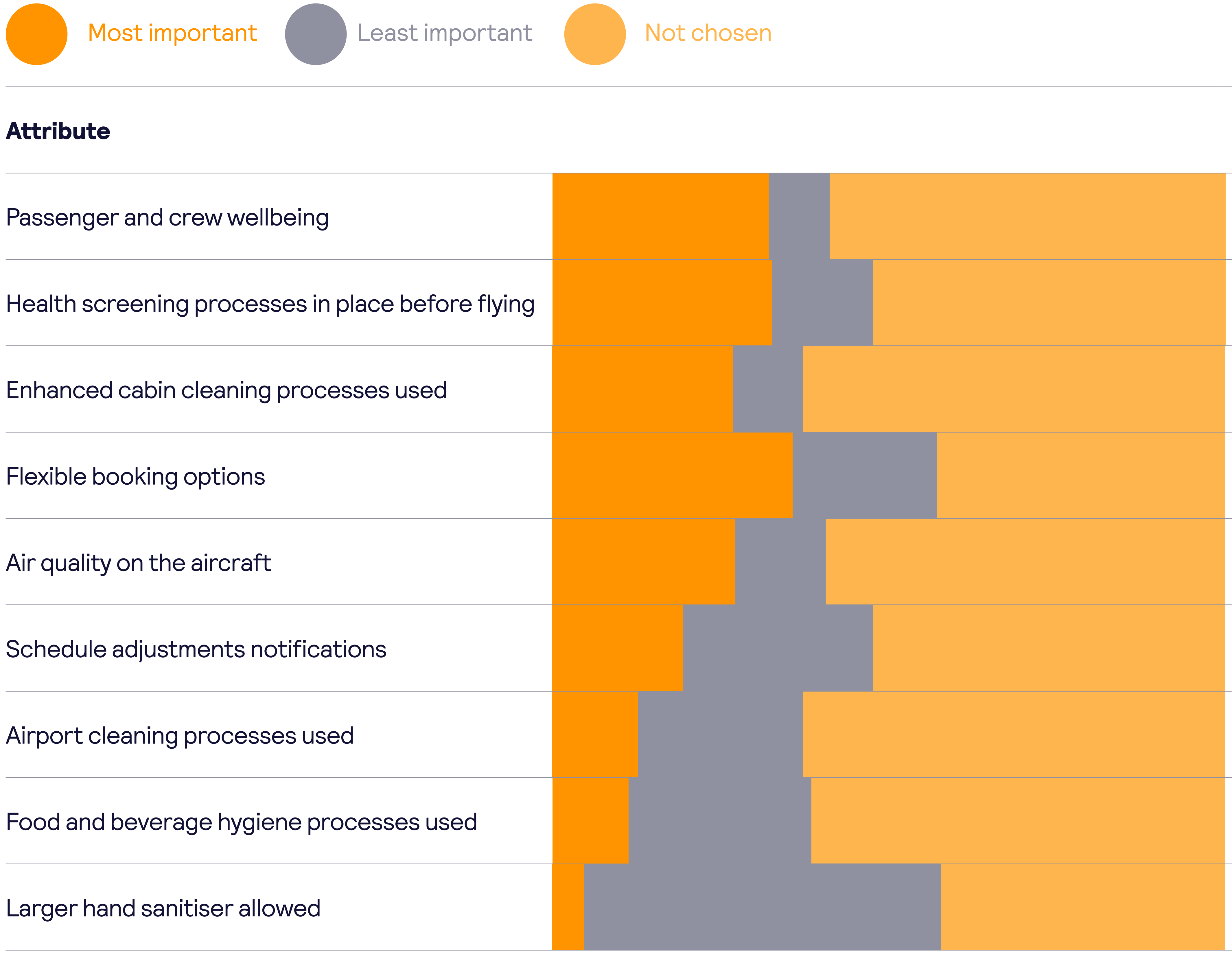
48%

Nearly half of searches are for regional travel.



Relative importance to flight choice

When planning travel that involves a flight, from the list of attributes which would you consider to be the MOST important to know about when choosing a flight and which would you consider the LEAST important to know about?



Attribute	Rank	Score
Passenger and crew wellbeing	1	0.23
Health screening processes in place before flying	2	0.17
Enhanced cabin cleaning processes used	3	0.16
Flexible booking options	4	0.14
Air quality on the aircraft	5	0.14
Schedule adjustments notifications	6	-0.09
Airport cleaning processes used	7	-0.12
Food and beverage hygiene processes used	8	-0.16
Larger hand sanitiser allowed	9	-0.48

Max diff survey n=851 conducted June 2020. UK, US and AU travellers

John Strickland, Director of JLS Consulting, points out that low-cost carriers have a cost base that allows them to offer competitive pricing which, when combined with creative ancillary revenues, means they're able to attract customers profitably where other carriers can't.

"The strongest low-cost carriers also have the liquidity to survive for an extensive period – a year or more – even if most or all of their capacity is grounded. They are ready to jump in with new routes rapidly, wherever they see an opportunity, when other airlines cut back or fail. They have the advantage of wide geographic arenas of operation and can move capacity around opportunistically. I would also expect to see low-cost carriers showing innovation in their product offer as customer needs evolve."

As we've seen from previous economic downturns, low-cost carriers have emerged stronger thanks to their low-cost bases, simplified business structures and point-to-point models. But they have another advantage as network models pose complexities in terms of passengers coming from multiple origins and travelling to different destinations. This is challenging as each origin and destination will have differing levels of infection rates, entry restrictions and quarantine measures.

Yet one of the biggest questions is whether oil prices will continue to remain low in 2021. If they don't, it will undoubtedly increase prices for travellers at a time when discretionary spending may well be on the decline. Could low-cost carriers, with their stronger balance sheets, maintain 80% load factors while increasing route capacity? Time will tell, but they certainly have a more straightforward and therefore faster route to recovery.

"Expect to see low-cost carriers showing innovation in their product offer as customer needs evolve."

The psychology of travel

Humans have an innate desire to explore and seek out new places and things. Curiosity, inquisitiveness and discovery are within us all. As we navigate through a period where our ability to travel freely is restricted, the implications of this are felt across the globe.

In this section, we explore how travellers are adapting to a new and complex decision-making process, aligned to their personal appetite to risk. And the enduring importance of travel for individuals and society.

Skyscanner

> "Humans have always longed for what's beyond the horizon, new frontiers and seizing opportunities for discovery."

What it means to be a traveller

"Simply put, it is part of who we are, and it is something we have done throughout our history," says NASA.

Exploration is part of being human. From the dawn of civilisation, humans have always longed for what's beyond the horizon, risking life and limb for new frontiers and seizing opportunities for discovery. While there are well documented challenges that have been posed by the historical discovery of the globe, here we explore how a vision for sustainable and modern travel could redress this balance.

Travel is a celebration of difference. It fosters a greater understanding of the world and its diversity. Countless academics have commented on the way travel expands minds and shapes a more curious, tolerant outlook.

Philosopher Alain de Botton commented on the power of travel to bring about change in us in a way that wouldn't be possible if we remained at home. Adam Galinsky, a social psychologist at Columbia Business School, has written how "**foreign experiences increase both cognitive flexibility and depth and integrativeness of thoughts.**"

“The world needs travel and travel needs the world.”

Travellers have built a unique and special global community that supports understanding, flexibility and open-mindedness. Our research conducted throughout the pandemic on traveller attitudes has explored a concept known as the tolerance of ambiguity. This is the degree to which someone is comfortable in an uncertain environment such as navigating unfamiliar transport systems or surviving without knowing the local language. Travel has supported a skillset that’s become critical during the pandemic: the ability to cope with the unknown.

The events of 2020 have underscored the impact restricted movement has on society. Firstly, the economic impact of whole communities being sealed off is huge. In Antigua, for example, 90% of the island’s employment relies on inbound visitors.[9] While estimates from the WTTC predict that globally 197.5 million jobs in the industry could be at risk if travel restrictions and quarantines remain in place. Secondly, heightened racial tensions, nationalism and xenophobia have pervaded 2020’s headlines. The social contract defined over centuries is currently being rewritten overnight.

“Against the current pandemic, it is vital that everyone works together to ensure that travel and cross-border exchanges continues into the future.”
Jane Sun, CEO of Trip.com Group.

Our data has shown that travellers are more able to cope with the psychological challenges of the new world of COVID-19. Those considering and acting on travel right now are better at coping with ambiguity and have a higher tolerance of risk.

The events of this year highlight the importance of opening our eyes, ears and minds, of challenging perspectives and broadening our horizons. The world has been grappling with what it means to not be able to travel, and we’ve seen COVID-19 magnify many of society’s inequalities while posing significant challenges to our industry’s future.

Travel leads to greater empathy, respect and understanding for all people, places and cultures. These values have never been more important.

“We fundamentally believe that travel is a force for good and we’re committed to working with our partners to ensure a swift, safe and sustainable recovery. A world where cultures don’t exchange, mix and connect is substantially worse off. As travel restrictions are gradually lifted, Skyscanner will be ready to help travellers explore once again.”
Moshe Rafiah, CEO, Skyscanner.

The world needs travel and travel needs the world.

90%

of Antigua’s employment relies on inbound visitors.

197.5 Million

jobs in the global travel industry could be at risk if restrictions and quarantines remain in place.

Navigating a new and complex decision-making process

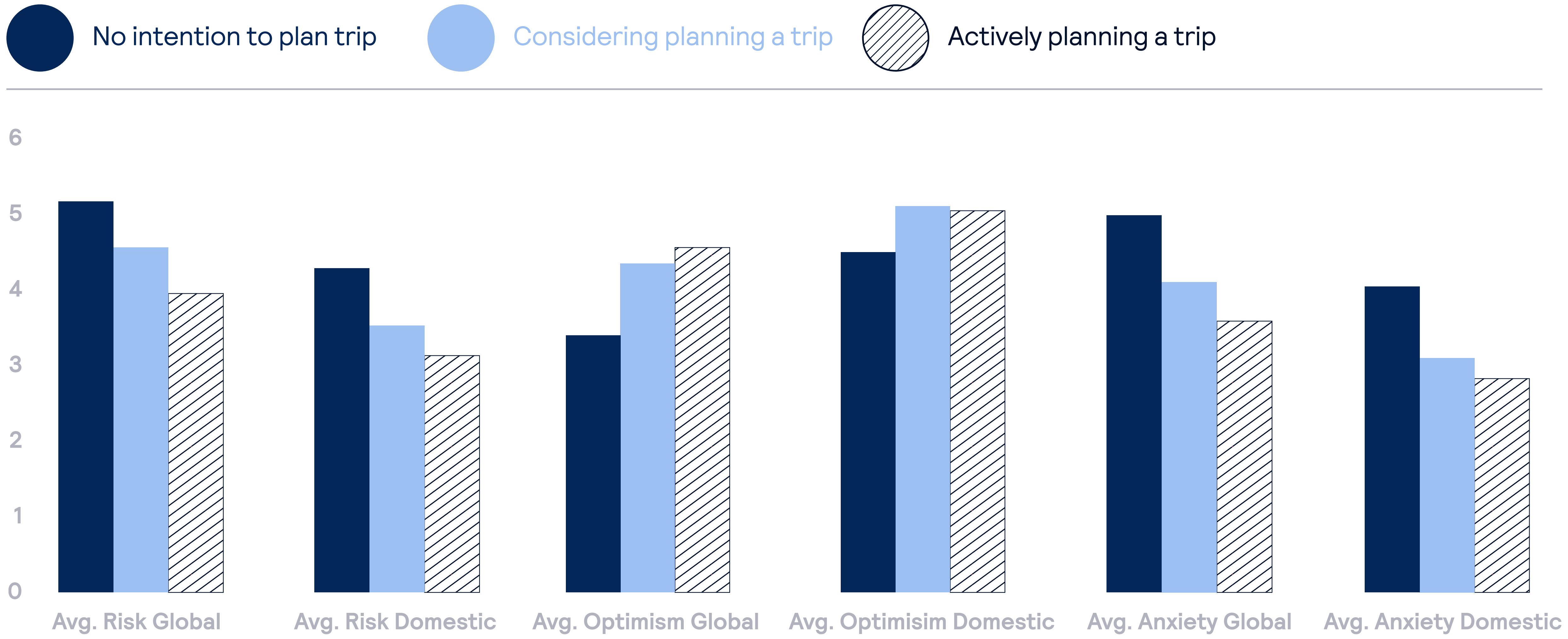
In March, our research found that travellers had 'outsourced' the decision not to book travel to their governments and were waiting for the relaxation of restrictions before even considering booking.

Now the burden of complex decision-making has moved from the shoulders of government to the individual, leaving them with a difficult risk assessment of whether to travel or not.

Our latest research reveals that travellers are increasingly anxious and have a more pessimistic perception of the current global situation. However, what sets apart those who are willing to book from those who are not is predominantly down to their individual appetite for risk across five categories - health, financial, social, ethical and recreational.

Risk, anxiety and optimism perception by trip-planning status

How risky/anxious/optimistic does the thought of travelling abroad make you feel?
(1=Not at all, 7=Extremely)

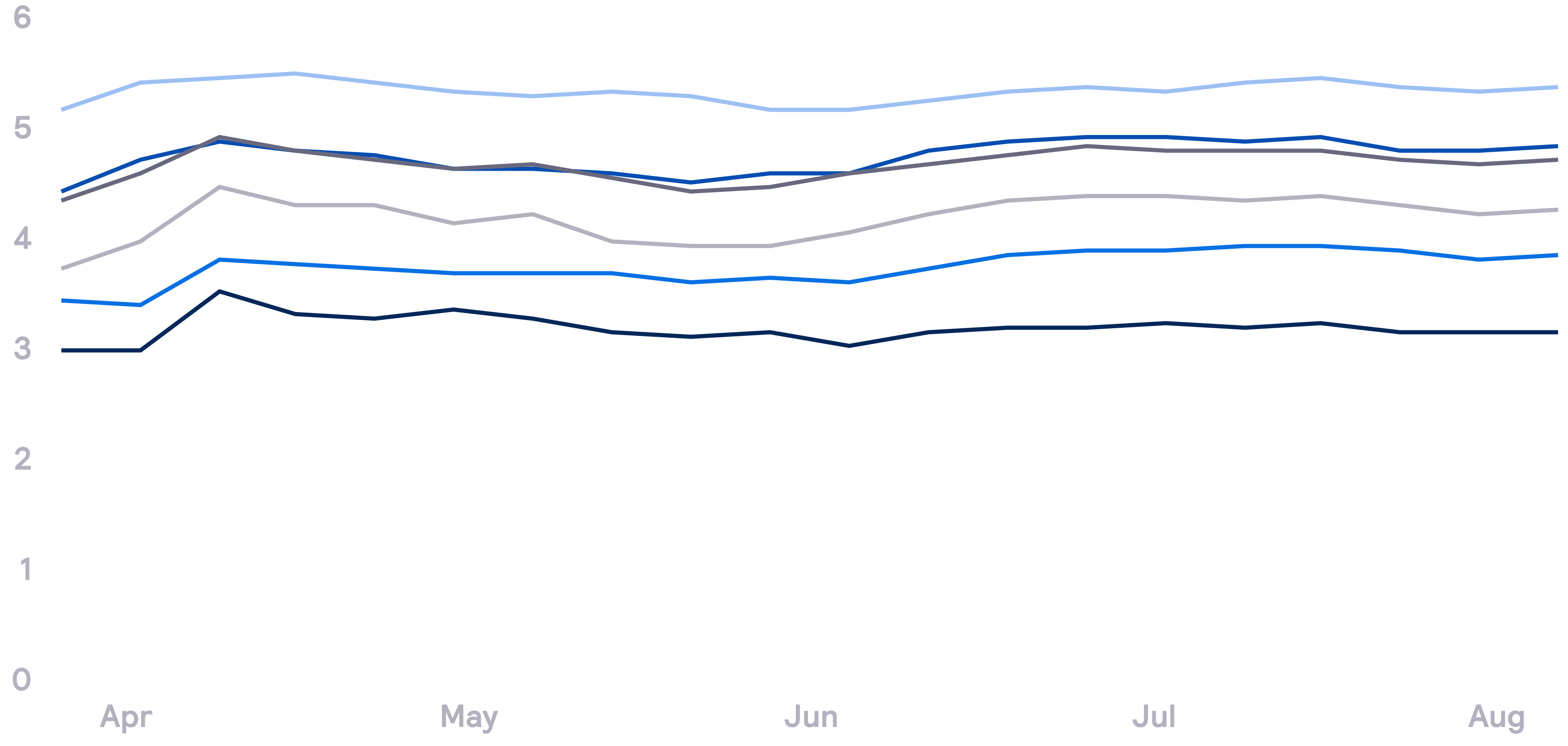


Skyscanner pulse survey n=6433 August 2020

Factors impacting likelihood to travel over time

How much do the following considerations impact your decision on whether to travel abroad? (1=Not at all, 7=Very significantly)

- What my friends or family might think of me travelling
- Change in my financial circumstance
- The health risk to myself
- The health risk to other people
- Not knowing what the situation is like (or will be) in countries I may want to travel to
- The uncertainty of when travel restrictions may be lifted



Skyscanner pulse survey n=6433 August 2020

Of those willing to book, the main preoccupation is with financial risk (i.e. 'book before I lose my income' or 'book while it's cheap'), while those less likely to book seem primarily concerned with health risks ('It's too dangerous until there's a vaccine'). Evidence of ethical risk factors ('I don't want to give it to my parents' or 'I don't want to be responsible for introducing the virus to countries with low incidence rates') and social risks ('I don't want to be the first one to travel') is beginning to emerge and playing a part in the decision-making process.

As part of our study on likelihood to travel, some interesting profiles emerged of those most likely to pioneer travel once again:

65%

of those aged 18-24 are booking or considering booking a flight.

76%

of those aged 25-34 are booking or considering booking a flight.

55%

of travellers with children are booking travel.

40%

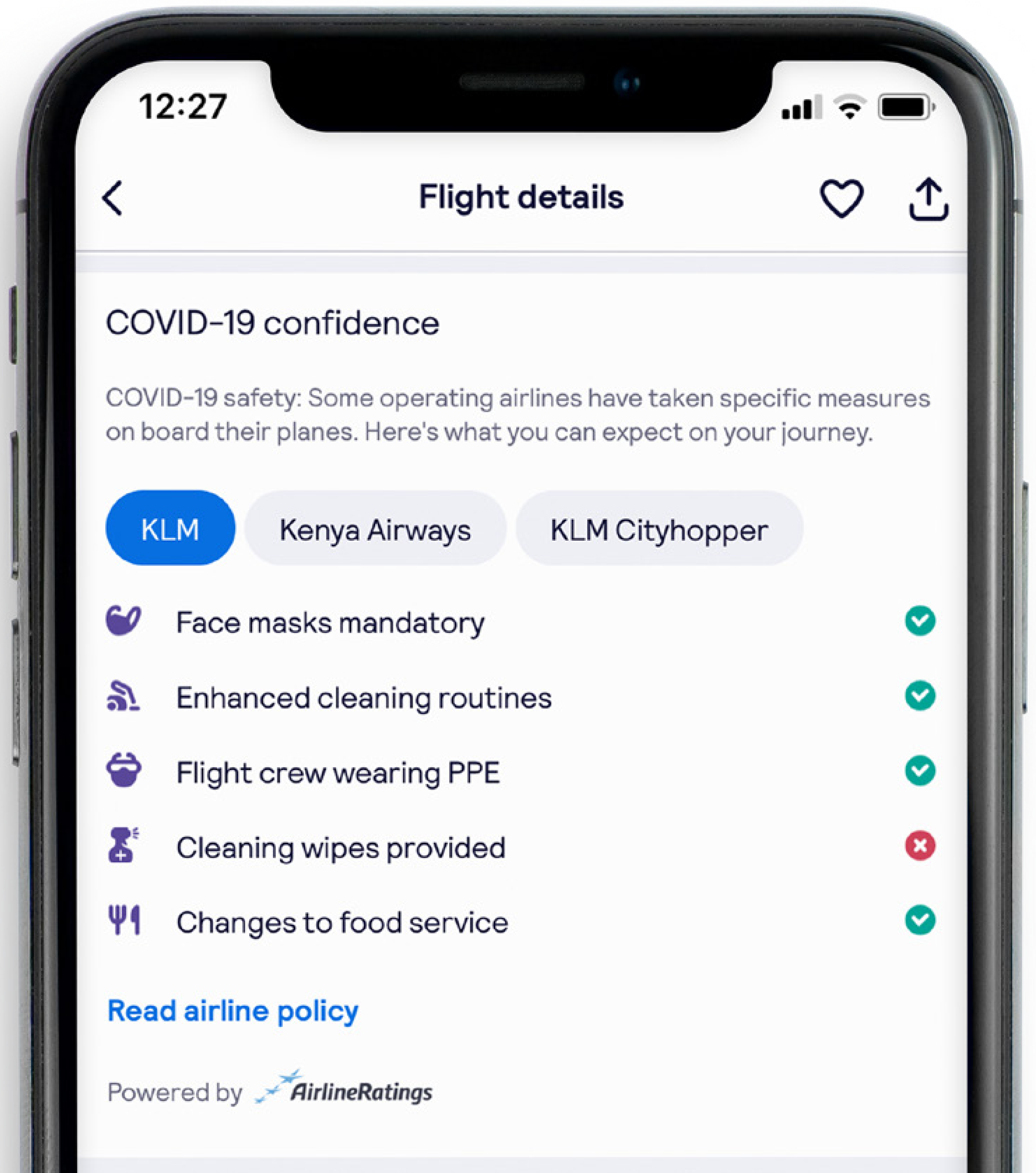
of travellers without children are considering booking.

54%

of those booking or considering booking are more likely to be male.

So what will it take to help travellers navigate this new and complex decision-making process?

Put simply, more information at all stages of the planning and booking process across the five risk categories. To help do this, we have developed a new '**COVID-19 confidence'** rating for travellers searching for flights. It includes information about flexible ticket policies and safety measures, such as whether the flight crew are wearing PPE, to help travellers book with more confidence.



Understanding travellers has never been more important

Over the past six months, we've been using a combination of behavioural data, surveys and qualitative interviews to help understand the evolving mind of travellers across the globe.

We've been speaking to more than 6,500 people each week to understand their travel hopes, fears and dreams for the future. The importance of this can't be underestimated – the future of travel will undoubtedly be shaped by the new actions and behaviours being developed now.

Back in March, the initial response was denial, followed by a strong and swift emotional reaction as people rapidly came to terms with the severity of the situation and the ways in which their lives would change.

Now that restrictions are easing and travel is possible once more, several new behaviours are emerging among the 25% of those surveyed currently willing to book travel. These include:

Shorter timeframes

Shorter booking horizons to mitigate against the risk of travel policy changes preventing travel.

Short-haul

Choosing shorter-haul flights to reduce the perceived health risk of flying.

Fly + drive

Combining flights with driving to reduce the perceived risk of certain regions/countries (especially in the US).

Last minute

Waiting until the last minute to book accommodation as it's perceived to be harder to get money back compared to cancelled flights.

Traveller, 30

"Normally we book more in advance because of prices, but we didn't want to in case things change."

Traveller, 53

"If they found a cure, that'd be great. I don't know what's going to make me confident in flying. We're going away slightly later this year but that's Eurotunnel so we'll be in the car. I honestly don't know whether there will be social distancing, what the R rating is going to be. It will depend on what's happening in the destination and what kind of life restrictions they have in place. If you're going to get there and it will be like it was in the beginning [of the pandemic], no hotels, no restaurants – well, you know, you're going to land yourself in a different country with nothing to do."

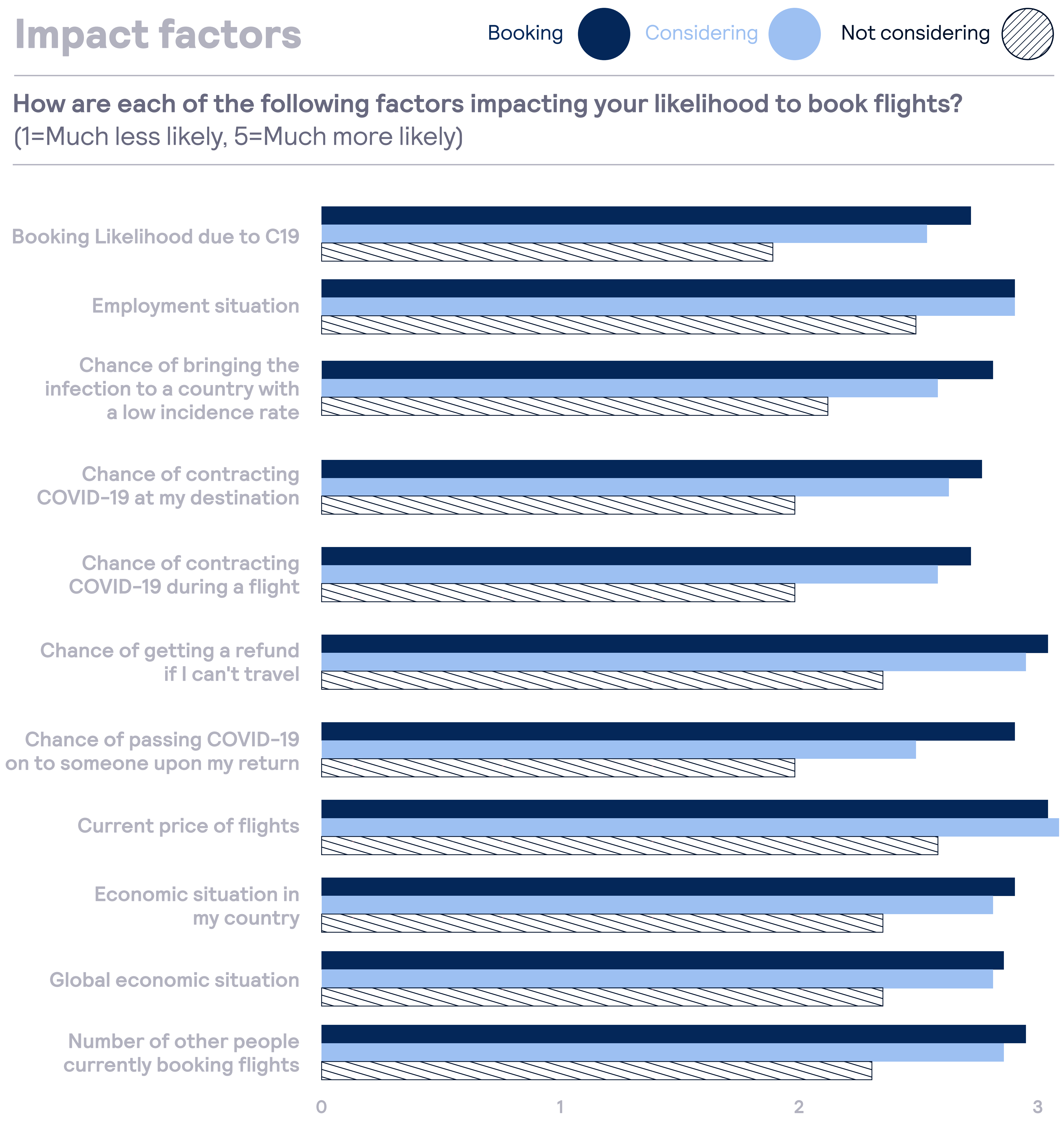
Traveller, 29

"I would say for us the biggest concern is just keeping all of our reservations as flexible as possible in case it ends up being cancelled or something like that.

We definitely don't want to book anywhere that won't let us change our flights if we need to or that would incur a big fee if we did need to change at the last minute."

Impact factors

How are each of the following factors impacting your likelihood to book flights?
(1=Much less likely, 5=Much more likely)



Skyscanner recruited survey n=4000 (US, UK and AU) August 2020

"Ongoing uncertainty means that booking a summer or winter vacation months in advance will remain challenging for some time to come."

Whether people are booking, considering or not considering travel, health concerns continue to be the biggest barrier. Until those concerns are overcome, travellers' current responses to changing rules and regulations are defining new trends in travel.

Ongoing uncertainty means that booking a summer or winter vacation months in advance will remain challenging for some time to come. In turn, this is leading to people who are willing to travel opting to explore the world much closer to home. And when they do decide to travel, booking windows are drastically shorter.

The importance of understanding travellers and providing them with clear and transparent information should not be underestimated. Restoring trust and confidence is essential.

The new shape of travel

The internet changed the travel industry forever. The emergence of user-generated content and social media transformed the relationships between people and places. Throw this multi-billion-dollar opportunity into the mix and the rules of engagement were supercharged – major online retailers of experience curated travel as a fast-moving consumer good. COVID-19 has essentially hit pause on the international auction of experience, giving the sector time to re-think and re-build a more sustainable future for travel and tourism.

Skyscanner

The path to combatting overtourism

Venice is the poster child of a pre- and post-COVID travel story. In the space of four weeks the city went from overflowing with selfie-taking tourists to empty streets, the likes of which had not be seen for decades. The Venice that returns has the opportunity to define how we think about overtourism in the future. Could this beautiful city trailblaze a sustainable path forward or fall back into business as usual?

Destinations like Venice have been suffering from the effects of mass tourism for a number of years. Before the pandemic, Oxford Economics predicted an additional 173 million international travellers were expected to visit the top 300 cities around the world by 2025 – a 27% increase in 2019 volumes. But as we now know, large concentrations of people provide ideal conditions for the virus to spread, and it remains to be seen whether anywhere near the same of number of travellers will opt for city breaks in the future.

The impact of fewer tourism dollars will certainly be felt by places set up to cater for large numbers of foreign visitors. Yet there's an opportunity for these destinations to repair, reset and re-orientate away from the pursuit of tourism growth at all costs.

"To ensure a resilient future for the travel industry, tourism must become more sustainable; our impact must become net positive and the places promoted to visitors must be protected and enhanced."

This is the moment when the travel industry can redesign the old, traditional travel patterns, effectively redirecting travellers to new, less crowded destinations. The pandemic has accelerated the need for many airlines to retire old, large and inefficient aircraft and replace them with newer, smaller fleets, able to more easily facilitate this redirection. With health concerns likely to remain top of mind for many travellers until a vaccine is found, promoting less well known destinations as safer alternatives could help counter overtourism.

This must be done cautiously, of course, and will require an unprecedented amount of collaboration between suppliers, providers, destinations and local governments to ensure the right infrastructure is in place to cater for travellers responsibly wherever they go. However, the opportunity to redress the balance between destinations who have long suffered from overtourism and those that would desperately love to reap the benefits of visiting travellers is too important to pass up.

"To ensure a resilient future for the travel industry, tourism must become more sustainable; our impact must become net positive and the places promoted to visitors must be protected and enhanced. We're in a unique moment in time with an opportunity to address some of the systemic challenges caused by the sector's acceleration in recent years."
Piero Sierra, Chief Product Officer, Skyscanner.

The way we think about travel needs to change for the better and in the case of Venice its citizens are being asked to participate in an open debate to rewrite the future of the city as part of the #RiscrivereilFuturo project. More initiatives like this are needed and as the world gradually starts to re-open, and can a better balance found for destinations and tourists alike?

From sustainable travel to conscious travel

When we talk about sustainability in relation to travel, the discussion often focuses on the environmental impact and the long-term effects on the planet. Pre-COVID, it was a rising concern for many travellers.

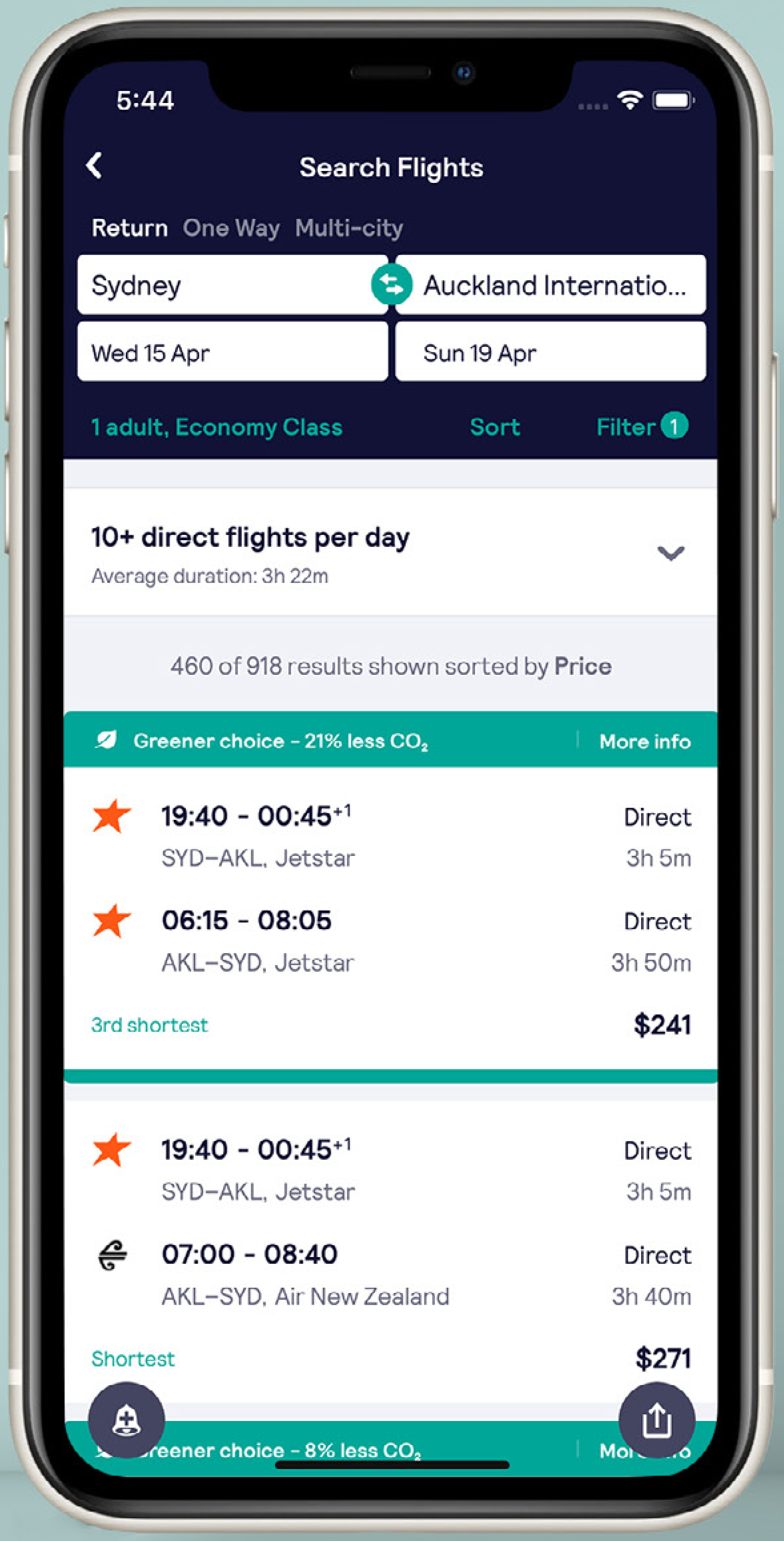
We introduced new 'Greener choice' features to help people make more informed travel decisions, taking into consideration the impact their travel footprint has on the environment. In 2019, 10 million travellers using Skyscanner selected a 'Greener choice' option. However, research conducted with travellers since the start of the pandemic has revealed that environmental sustainability now plays much less of a role in booking decisions.

What's more the shutdown of travel has taken a huge toll on the financial sustainability of travel providers and local communities alike. Many communities that rely solely on travel and tourism as their main source of income are looking at an uncertain future.

In Kenya, tourists brought much needed dollars to create jobs for local communities and fund conservation efforts. Now, the United Nations Environment Programme (UNEP) is stepping in to help those communities find new revenue streams. In Thailand, one of South East Asia's beacons for international tourism, Phuket is piloting a scheme to allow foreign visitors from October in an attempt to kick-start the travel sector and the wider economy.

As the new shape of travel emerges and restrictions in some parts of the world ease, it is vital that we continue to enable consumers to understand the impact of their decisions and provide a range of solutions that ensure neither the environment, nor local economies, are left behind.

> "Skyscanner's 'Greener choice' feature highlights flights that emit less CO_2 than average for a particular route in a simple and visual way."



“A new shape of travel is within our grasp – we must seize the opportunity.”

In the future, there could and should be a rise in conscious travel, with consideration for sustaining communities and regenerating the environment. Greater collaboration is still needed between leading businesses, governments, local organisations and social entrepreneurs to help increase the understanding of the effects of tourism, the benefits of supporting local communities, tackling climate change, reversing environmental damage and protecting wildlife.

The pandemic has forced the world to consider like never before how individual actions impact wider society. This can and should lead to a path to not just a sustainable future for travel, but a more conscious one. A future where the impact of travel and tourism is thought of holistically, for both people and planet. Where there’s a net benefit for destinations and local communities. And where travellers are educated and empowered to make decisions about where, when and how they travel.

Skyscanner is a founding member of Travalyst, a bold global initiative led by the Duke of Sussex with an ambition to change the impact of travel for good. Along with some of the world’s leading travel service companies including Booking.com, Trip.com Group, Tripadvisor and Visa, Travalyst is a great example of the power of collaboration needed to champion change. In July, Travalyst hosted a virtual global summit to discuss how the industry can rebuild tourism for a more sustainable and balanced future.

TRAVALYST

The Duke of Sussex, founder of Travalyst, said: **“We have an opportunity now, a defining moment in time, to decide what the future of tourism and travel will look like. As the sector recovers we need to make sure tourism supports everyone fairly, to protect destinations, better support local communities, and help them become truly resilient. Many destinations have been under immense pressure for years, with local communities struggling to cope with the effects of overtourism and local habitats and wildlife suffering irreparable damage.**

“Recovery is vital for the security and prosperity of millions of communities, but recovery cannot just mean a return to the way things used to be. Travel can and should be a catalyst for good. It can be sustainable, ethical and even regenerative. It’s our collective responsibility to ensure that the industry that is reborn out of this pandemic is one that gives back more than it takes away.”

A new shape of travel is within our grasp – we must seize the opportunity.

Restoring confidence in global travel

As global infections continue to rise and in the absence of a vaccine, travel remains volatile. Reoccurrences and second waves have resulted in changes to travel restrictions and quarantine measures from governments, often at short notice.

Restoring confidence will be achieved by de-risking the decision-making process and providing travellers with the tools and information necessary when changes arise.

“Peace of mind is now a commodity,” comments Jo McClintock, Global Brand Director, Skyscanner. **“The decision-making process for planning and booking travel has been completely turned on its head. And it continues to change as the situation evolves on the ground. We see from our demand data that many prospective travellers are reacting, often in real time, to the latest information about border and movement restrictions easing, or increased flight capacity to popular holiday destinations. However, the information is fragmented and sometimes contradictory, differing by country and by travel provider.”**

While the data has shown that frequent travellers are more adept at navigating this new and complex situation, for the world to function across borders and embrace inclusivity alongside managing risk, it’s unquestionable that industry and government collaboration is required to reduce uncertainty.

Surveys with travellers throughout the pandemic have revealed an openness to adapt. For example, in a recent survey we conducted with 1,175 UK travellers, 85% said they would be more likely to travel abroad if airport testing was in place.

Traveller confidence is unstable and fast to react to the news agenda, showing the immediate impact that guidelines have on decision making.

In August when the UK government added Portugal to the country’s safe travel list, bookings spiked over 2000% immediately following the announcement

The long-term impact on confidence has yet to be revealed but correlations between confidence levels surveyed each week among Skyscanner users and rapidly changing measures would indicate a difficult outlook. It’s imperative that as an industry we collaborate to balance the need to endure the short-term financial impact with a positive and innovative approach for the long run.

85%

would be more likely to travel abroad if airport testing was in place.

2000%

bookings spiked immediately when the UK government added Portugal to the country’s safe travel list.

For more information contact:

media@skyscanner.net

Skyscanner